



U.S. Department of Justice

*United States Attorney
Eastern District of Wisconsin*

517 East Wisconsin Avenue
Milwaukee, WI 53202

414 / 297-1700
TTY 414 / 297-1088

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NEWS SUMMARY:

Racine resident charged with filing false tax refund claims

United States Attorney Steven M. Biskupic, along with IRS Criminal Investigation Special Agent in Charge, Francine L. Evans, announced today that a grand jury in Milwaukee returned a 19-count indictment against a Racine resident charging him with filing false claims for federal income tax refunds with the Internal Revenue Service. The indictment charges Samuel A. Burnette (DOB March 26, 1976), who is also known as "Bremak," with filing false tax returns for himself and others for the years 2002 and 2003.

The indictment alleges that from January 2003 through May 2004, Burnette filed more than 30 false tax returns seeking more than \$200,000 in fraudulent tax refunds. The returns reflected false employment, income, dependant, and tax withholding information to support the refund claims. Burnette, who was arrested on these charges earlier today, faces up to five years in prison and a fine of up to \$250,000 on each count. A trial date has not yet been set.

Milwaukee resident pleads guilty to filing false tax refund claims.

United States Attorney Steven M. Biskupic also announced the guilty plea of Calves V. Haynes (also known as Connie Haynes), of Milwaukee to 2 counts of filing false claims for income tax refunds with the Internal Revenue Service. Haynes (DOB March 13, 1964) appeared March 14, 2007 before United States District Court Judge Charles N. Clevert in Milwaukee. Haynes faces up to five years in prison and a fine of up to \$250,000 on each count. Judge Clevert has scheduled her sentencing for August 3, 2007.

Haynes was charged with preparing false and fraudulent federal income tax returns for herself, relatives, friends and other individuals seeking tax refunds to which they were not entitled. To support these claims, Haynes prepared false Wage and Tax Statements (Forms W-2) reflecting fraudulent employment, income, and tax withholding information. According to the indictment,

Haynes prepared more than 50 false income tax returns that were filed with the IRS seeking more than \$250,000 in federal income tax refunds.

At her change of plea, Hayes admitted assisting other in filing false refund claims but disputed being responsible for all of the returns the government alleged.

As outlined in the government's offer of proof set forth in the plea agreement, Haynes first came to the attention of the IRS in March 2003 when a volunteer at an IRS Volunteer Income Tax Assistance (VITA) center contacted the IRS about Haynes. The volunteer indicated that Haynes was threatening her because Haynes had prepared a fraudulent return, utilizing fraudulent W-2s, for the girlfriend of the volunteer's son and that the girlfriend had not paid Haynes once she received her fraudulent refund. The volunteer indicated that Haynes was approaching people at the VITA site and offering to preparer fraudulent returns for them in return for a share of the refund.

Haynes utilized both established tax return business locations as well as electronic filing businesses over the internet to file the false returns. For many of the returns, Haynes established an account and provided her own e-mail address, and on a few occasions, provided her credit card to pay for filing the returns. Also on several returns Haynes provided her own Milwaukee address as the taxpayer's address on the false returns.

According to IRS Criminal Investigation Special Agent in Charge, Francine L. Evans, filing fraudulent tax returns is a crime not to be taken lightly. "Beware of those who are seeking to take advantage of the tax system by filing false claims with the IRS. This crime impacts not just the fraudulent preparer but also the taxpayer whose name is on the return and is responsible for all of the information on the tax return."